# **Grist Magazine**

# **Gauge Match**

Push to raise fuel-economy standards gaining new support

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Cringe as we might over record-high gasoline prices, they could be the best thing to happen to automobile fuel economy since the Arab oil embargo.



Nowhere to go but up.

The soaring cost of oil in recent weeks has sent Washington lawmakers into an election-year frenzy. Some of their proposals -- like one from Senate Majority Leader Bill Frist (R-Tenn.) to offer Americans \$100 checks to defray the rising cost of gasoline in exchange for consent to drill in the Arctic National Wildlife Refuge -- were dead on arrival. ("What kind of insult is this?" scoffed Rush Limbaugh on his radio show.) But efforts led by Rep. Sherwood Boehlert (R-N.Y.) and Sen. Dianne Feinstein (D-Calif.) to raise CAFE (corporate average fuel economy) standards are drawing increasing support from politicians suddenly anxious about U.S. oil consumption.

President Bush is not among the backers of the Boehlert plan, but he is partly responsible for CAFE's current moment in the spotlight. Speaking at a gas station in Biloxi, Miss., two weeks ago, the president said Congress was considering several responses to high fuel prices, "and one idea is to give me a capacity to raise CAFE standards on automobiles."

That elicited jeers from Democrats, who pointed out that Bush already has the power to raise the standards. "I find it hard to believe that a president who has claimed the authority to eternally detain prisoners, resort to torture in certain cases, and wiretap American citizens without consulting Congress feels that he needs permission from Congress to mandate that cars be made more fuel efficient," said Rep. Ed Markey (D-Mass.), a longtime proponent of tougher CAFE standards.

Transportation Secretary Norm Mineta clarified the president's position in a letter to congressional leaders and in appearances before both the House and Senate, explaining that Bush wants the authority to restructure -- not necessarily strengthen -- the CAFE program (a move for which he would, indeed, need Congress's permission). The aim is to remake the fuel-economy rules for cars in the image of the administration's new rules for SUVs, pickups, and vans -- regulating vehicles not according to a total fleet-wide average, but rather dividing them up into size classes and setting weaker targets for bigger vehicles. (The new light-truck rules last week prompted a lawsuit from 10 states, including California and New York, which argue they're too weak.)

Dan Becker, director of Sierra Club's global-warming program, thinks the Bush administration's chatter about CAFE revisions is just a smokescreen. "These guys have no intention whatsoever of implementing meaningful improvements to CAFE," he said.

Mineta did little to dispel that conception when, at a House hearing on fuel economy last week, he argued that boosting CAFE standards under the current system "would increase fatalities on America's highways, raise health-care costs, and reduce employment." At that hearing and at one in the Senate on Tuesday, Mineta declined to articulate any specific fuel-economy targets, and said it would likely take years to set new standards.

### **Getting the House in Order?**

House Energy and Commerce Committee Chair Joe Barton (R-Texas) last week unveiled a bill that would give Bush his desired authority to revamp CAFE -- but the move left many of Barton's colleagues in the House unsatisfied.

Rep. Jan Schakowsky (D-Ill.) dismissed Bush's CAFE-revamp proposal as a "public relations campaign," while Anna Eshoo (D-Calif.) declared that the Bush administration is "on the wrong side of history" on the issue.

Boehlert and Markey proposed an amendment to Barton's bill that would increase the current CAFE standard for cars from 27.5 miles per gallon to 33 mpg over the next decade, similar to a proposal they've been advocating since 2001. Boehlert, the GOP's top fuel-economy proponent, is so optimistic about the chances for his latest proposal that he publicly crooned a verse from the Ruby and the Romantics song "Our Day Will Come."

"I think we've got a great shot this time around," Boehlert told Muckraker. "More and more of my colleagues are beginning to agree that CAFE is a crucial component of our plan to reduce gas prices. A great deal of progress has been made in this debate." He said that at least half a dozen of his Republican colleagues who had formerly voted against stronger CAFE standards -- including Reps. Michael Castle (Del.), John Kuhl (N.Y.), and John Sweeney (N.Y.) -- have indicated that they plan to support his amendment. Moreover, he adds, "a substantial number who never considered CAFE a priority are now taking a very close look at it." Still, it'll be an uphill battle -- last year the Markey-Boehlert measure was defeated 254 to 177.

Goings-on in the Senate followed the same course. Trent Lott (R-Miss.) held a hearing Tuesday in which he announced plans to introduce a bill that, like Barton's, would greenlight White House changes to CAFE.

Also at that hearing, Democratic Sens. Byron Dorgan (N.D.) and Mark Pryor (Ark.), who've voted against CAFE increases in the past, indicated that they would now favor tightened standards in light of escalating gas prices. Heartened by growing support, Sens. Feinstein, Olympia Snowe (R-Maine), and Dick Durbin (D-III.) unveiled a bill that would raise CAFE standards for all vehicles 10 miles per gallon over 10 years. Similar legislation last year lost 67 to 28, but everyone seems to know that the landscape is now shifting quickly.

#### Same But Different

Even as congressional support builds, environmental activists caution that real progress on CAFE isn't likely to be made anytime soon. Said David Friedman of the Union of Concerned Scientists, "It's great that there are new and encouraging voices in Congress. But then again, nothing new or encouraging is coming out of the White House -- and the buck, as we know, stops there."

With this in mind, some members of Congress are advocating a different approach -- one that doesn't involve the freighted CAFE acronym, but could have the same ultimate effect.

Last Thursday, a bipartisan coalition in the Senate led by Jeff Bingaman (D-N.M.) and including Norm Coleman (R-Minn.), Lincoln Chafee (R-R.I.), and Hillary Clinton (D-N.Y.) introduced the Enhanced Energy Security Act of 2006, which would require the White House to devise ways to reduce oil use, from projected levels, by 2.5 million barrels of oil per day by 2016, and by 10 million barrels per day by 2031. U.S. oil consumption currently stands at 20 million barrels a day. Organizations ranging from the hawkish Set America Free to the Natural Resources Defense Council back the bill.

NRDC energy expert Ashok Gupta hopes the legislation's sponsors will add a clear directive calling for stronger auto fuel-economy standards. But, he said, even in its current form, the bill "stipulates oil-savings targets ambitious enough that the White House would inevitably be forced to promote increases to [auto] fuel efficiency one way or another." Gupta argues that the ambitious oil-savings targets in Bingaman's bill are far more politically practicable than stronger CAFE standards, particularly in an election year.

"Like it or not, Detroit still has tremendous sway in Washington," says Gupta. He notes that in the last Senate vote on CAFE, Hillary Clinton and John Kerry (D-Mass) voted against raising standards, presumably because burning bridges with the auto lobby could hamper their presidential ambitions.

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Still another alternative plan was proposed on Monday by former Senate Majority Leader Tom Daschle and venture capitalist Vinod Khosla in a <u>New York Times op-ed</u> titled "Miles Per Cob": refashion CAFE into a "Carbon Alternative Fuel Equivalent" program, which would dole out incentives to automakers that shift their vehicle fleets from petroleum-based engines to ethanol-based technology. "Instead of squabbling over a mile a gallon here and a mile a gallon there, let's move to a new CAFE standard that offers Americans a fresh chance to work together to meet some of this country's most pressing challenges," they argue.

Many enviros would counter that corn-based ethanol requires such hefty oil inputs that it hardly contributes to energy independence, and that a shift to alternative fuels shouldn't come at the expense of improvements to fuel economy. Nevertheless, all would agree that the outpouring of enthusiasm for fresh solutions is sorely needed, and precisely what will keep the campaign to reform Detroit rolling.